



**WEST BASIN MUNICIPAL WATER DISTRICT**  
17140 S. Avalon Blvd., Suite 210  
Carson, CA 90746

**AGENDA NO. 26**

**DECEMBER 10, 2010 – Finance**  
Smith(Chair), Dear  
**DECEMBER 20, 2010 – Board Meeting**  
Prepared by: Mary-Ann Rexroad  
Submitted by: Margaret Moggia  
Approved by: Rich Nagel

## ACTION CALENDAR

### DEBT MANAGEMENT POLICY AMENDMENT

#### SUMMARY:

In February 2010, the West Basin Municipal Water District (West Basin) Board adopted a Debt Management Policy to guide West Basin in the issuance, management, evaluation and reporting of its debt obligations. A Debt Management Policy assists West Basin in setting guidelines for the issuance and management of its outstanding debt and helps protect and enhance West Basin's credit ratings as rating agencies look favorably on those entities that have adopted applicable financial policies.

At the November 22, 2010 Board meeting, the Board requested staff to review the Debt Management Policy language with regards to the frequency of certain internal review procedures to be performed by the Chief Financial Officer. Staff has modified the language (highlighted) in the Debt Management Policy to more closely represent the actual review process. In addition, staff incorporated a new reporting section (highlighted) into the Debt Management Policy (Exhibit "A") to report to the Board on the debt portfolio. The recommended changes have been reviewed by District Counsel, bond counsel and financial advisor. It is recommended that the Board amend the Administrative Code adding the Debt Management Policy as Exhibit "G".

#### STRATEGIC BUSINESS PLAN IMPLEMENTATION:

Goal 4: Sound Financial and Resources Management – West Basin is committed to efficient business operations, financial planning, and asset management.

#### FISCAL IMPACTS:

Amending the Debt Management Policy will guide West Basin to protect and enhance its credit ratings.

#### ENVIRONMENTAL COMPLIANCE:

Not applicable.

#### COMMITTEE STATUS:

This item was reviewed by the Finance Committee on December 10, 2010 and recommended for approval at the December 20, 2010 Board meeting.

RECOMMENDED MOTION:

That the Board of Directors approves, adopts and authorizes the President to sign Resolution No. 12-10-936 "A RESOLUTION OF THE BOARD OF THE DIRECTORS OF WEST BASIN MUNICIPAL WATER DISTRICT AMENDING RESOLUTION NO. 06-07-859 (ADMINISTRATIVE CODE) AS IT RELATES TO THE DISTRICT'S DEBT MANAGEMENT POLICY".

LIST OF EXHIBITS:

Exhibit "A" – Debt Management Policy

Exhibit "B" – Resolution No. 12-10-936

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